

inexplicably increased and unfairly applied, ate up most of her payments.

Millard Glasshof of Milwaukee, WI, a retired senior citizen on a fixed income, incurred a debt of about \$5,000 on his Chase credit card, closed the account, and faithfully paid down his debt with a regular monthly payment of \$119 for years. In December 2006, Chase increased his interest rate from 15 percent to 17 percent and in February 2007, hiked it again to 27 percent. Retroactive application of the 27 percent rate to Mr. Glasshof's existing debt meant that, out of his \$119 payment, about \$114 went to pay finance charges and only \$5 went to reducing his principal debt. Despite his making payments totaling \$1,300 over 12 months, Mr. Glasshof found that, due to high interest rates and excessive fees, his credit card debt did not go down at all. Later, after the subcommittee asked about his account, Chase suddenly lowered the interest rate to 6 percent. That meant, over a 1-year period, Chase had applied four different interest rates to his closed credit card account: 15 percent, 17 percent, 27 percent and 6 percent, which shows how arbitrary those rates are.

Then there is Bonnie Rushing of Naples, FL. For years, she had paid her Bank of America credit card on time, providing at least the minimum amount specified on her bills. Despite her record of on-time payments, in 2007, Bank of America nearly tripled her interest rate from 8 to 23 percent. The Bank said that it took this sudden action because Ms. Rushing's credit score had dropped. When we looked into why it had dropped, it was apparently because she had taken out Macy's and J. Jill credit cards to get discounts on purchases. Despite paying both bills on time and in full, the automated credit scoring system run by the Fair Issac Corporation had lowered her credit rating, and Bank of America had followed suit by raising her interest rate by a factor of three. Ms. Rushing closed her account and complained to the Florida attorney general, my Subcommittee, and her card sponsor, the American Automobile Association. Bank of America eventually restored the 8 percent rate on her closed account.

In addition to these three consumers who testified at the hearing, the Subcommittee presented case histories for five other consumers who experienced substantial interest rate increases despite complying with their credit card agreements.

I would also like to note that, in each of these cases, the credit card issuer told our Subcommittee that the cardholder had been given a chance to opt out of the increased interest rate by closing their account and paying off their debt at the prior rate. But each of these cardholders denied receiving an opt-out notice, and when several tried to close their account and pay their debt at the prior rate, they were told they had missed the opt-out deadline

and had no choice but to pay the higher rate. Our subcommittee examined copies of the opt-out notices that the companies claimed to have sent, and found that some were filled with legal jargon, were hard to understand, and contained procedures that were hard to follow. When we asked the major credit card issuers what percentage of persons offered an opt-out actually took it, they told the Subcommittee that 90 percent did not opt out of the higher interest rate—a percentage that is contrary to all logic and strong evidence that current opt-out procedures do not provide fair notice.

The case histories presented at our hearings illustrate only a small portion of the abusive credit card practices going on today. Since early 2007, our subcommittee has received letters and emails from thousands of credit cardholders describing sometimes unbelievable credit card practices and asking for help to stop it. These are more complaints than I have received in any other investigation that we have conducted in that subcommittee, or an earlier subcommittee which I chaired, in more than 30 years now in Congress. The complaints stretch across all income levels, all ages, and all areas of the country.

The bottom line is that these abuses have gone on for far too long. In fact, these practices have been around for so many years that they have, in many cases, become the industry norm. Our investigations have shown that many of the practices are too entrenched, too profitable, and too immune to consumer pressures for us to have confidence that the companies will change them on their own. For these reasons, I hope our colleagues will pass the substitute before us. It is time to return common sense, responsibility, and fairness to the credit card industry.

With thanks and gratitude to the leaders in the Banking Committee, Senators DODD and SHELBY, for the initiative they have taken and the courage they are showing in taking on some very difficult and entrenched practices.

With that, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to a period for the transaction of morning business, with Senators allowed to speak for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### RENEWABLE ENERGY PERMITTING ACT

Mr. REID. Madam President, I am proud to once again have joined my friend, Senator ENSIGN, in introducing legislation that is good for Nevada and will help create jobs and contribute to rebuilding Nevada's economy.

The Federal Government owns 87 percent of Nevada's land. Nevada reaps tremendous benefits from this land—we have some of the most scenic areas and clearest skies in the country. This land is also blessed with some of the most valuable clean energy resources America has to offer—these resources alone could power the entire Nation with the right investments in our transmission grid.

I could not be prouder that President Obama and Secretary Salazar are committed to using our public lands to develop solar, wind, geothermal and biomass energy resources, and without harming sensitive areas. A week ago Saturday, Secretary Salazar came to Nevada to announce over \$26 million in Recovery funding for Nevada—a large portion for expediting renewable energy projects on BLM land. This commitment is invaluable to Nevada's future as the Nation's leader in clean renewable energy.

To continue helping this very effort and to ensure that solar and wind projects on Federal land provide maximum value to the State, Senator ENSIGN and I have introduced the Renewable Energy Permitting Act, REPA. This legislation is very similar to provisions I included in the Clean Renewable Energy and Economic Development Act, S. 539, that I introduced in March of this year.

REPA will help solar and wind projects receive BLM approval more quickly so these projects can begin generating clean energy and creating jobs sooner, rather than later and sustainable economic development opportunities.

It will also set aside a portion of the rental fees that are collected by the Government for the use of Federal lands by providing 50 percent of these revenues to the State and 25 percent to the county in which a project is located. Additionally, 20 percent will be placed into a renewable energy permit processing improvement fund for Nevada, Wyoming, Arizona, and California. The last 5 percent will be responsibly set aside to augment the restoration and reclamation that will be needed if and when these facilities are removed from our public lands. Portions of this money will also be available to acquire and protect other sensitive lands. This is an important step since, during the operation of these beneficial renewable energy facilities, the American people will lose access to hundreds of thousands of acres of incredible open space and wildlife habitat.